

UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service

Bulletin 1744-2

SUBJECT: Instructions For Preparing Financial and Statistical Reports For Telecommunications Borrowers, Form 479

TO: All RUS Telecommunications Borrowers

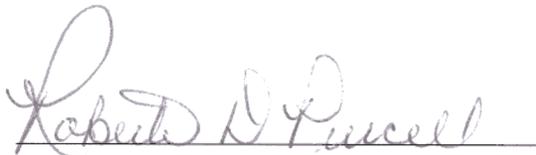
EFFECTIVE DATE : Date of Approval.

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OFFICE OF PRIMARY INTEREST: Assistant Administrator - Telecommunications Program

INSTRUCTIONS: This bulletin revises Bulletin 1744-2, Instructions for Preparing Financial and Statistical Reports for Telecommunications Borrowers, Form 479, dated December 22, 1995.

PURPOSE: To provide instructions for all Telecommunications borrowers required to submit operating reports to RUS (Form 479). These instructions implement the reporting requirements in the borrowers' mortgage agreements with RUS.



3/5/01

Date

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1. GENERAL

1.1 The Financial and Statistical Report makes available to RUS information for analyses in connection with the security of Government loan funds. It is believed that this report, when supplemented by such additional information as may be desired by an individual borrower, will also be of great assistance to boards of directors and managers of the system in successfully coping with various management problems. The report provides RUS with sufficient information to prepare an annual financial and statistical report of all RUS borrowers' telecommunications operations. The report is available as both an electronic and a paper form.

1.2 The report prepared by borrowers must accurately reflect the financial data as shown by the books of account, and should be prepared in accordance with the detailed instructions contained in this manual. Maximum benefits can be derived from the reports only when they are correctly prepared. Careful preparation of the report also eliminates additional correspondence. After the report has been prepared it should be carefully reviewed and verified for both clerical and typographical errors. Those using the electronic form should then submit both an electronic copy and a signed original to RUS. Those preparing a paper only form should submit a signed original and two copies to RUS.

1.3 This Bulletin may be reproduced fully, or in part, without RUS's approval, in quantities sufficient to meet your needs.

1.4 The Financial and Statistical Report, RUS Form 479, Pages 1 thru 4, is composed of eight parts as outlined in the table of contents.

1.4.1 Each item of the report form has been numbered for reference purposes. The information required for Parts A and B can be obtained from the general ledger after all postings for the period have been made and the subsidiary ledgers balanced. The information for Part C can be obtained from service orders and subscriber data records.

1.4.2 The account number shown opposite the item titles in the instructions are those used in the Federal Communications Commission's Uniform System of Accounts for Telecommunications Companies 47 CFR Part 32. Some states recommend account numbers different from those prescribed by the FCC. In those cases the account titles correspond generally to those used in this report form.

1.4.3 All dollar amounts should be to the nearest whole dollar. All percentage entries should be carried out to two decimal places. All totals and subtotals should be the sums of the rounded figures used.

1.4.4 It is important that all items be completed. In those cases where the answer is none or non-applicable, this should be indicated with a zero (0).

1.4.5 In preparing the reports, show in parentheses (-) all deficit or other amounts that are the reverse of normal. Do not use parentheses to indicate that an amount is to be deducted when the format provides for the deduction to be made. (For example, do not enclose Line 22, Part A, in parentheses.)
NOTE: Values entered as negative in the electronic form will be shown in parentheses automatically.

1.4.6 In those instances where more than one account is to be reported on the same line, the sum of the account balances as shown on the books should be inserted.

1.4.7 Please do not alter, modify, or write in or over any items in the printed form. Refer to the detailed instructions in this manual to determine the proper line on which to report each item or submit questions to RUS concerning proper reporting. Exercise care in inserting the required data, particularly that which cannot be derived from other data on the report.

1.4.8 If significant adjustments are made as result of an audit, amended reports should be prepared and submitted to RUS. **DO NOT DELAY SUBMISSION OF ANY REPORT BECAUSE OF A PENDING AUDIT.** All reports should be submitted within 30 days after the close of the reporting period.

1.5 CERTIFICATION: This report must be signed and dated by the manager and an officer of the borrower.

2. SPECIFIC INSTRUCTIONS

PART A. BALANCE SHEET:

The Balance Sheet section of the Form 479 includes two columns for each side of the balance sheet, one entitled Balance Prior Year and the other entitled Balance End of Period. As the names indicate, the data as of the end of the period covered by the report should appear in the second column. The first column, should have data from one year before the as of date of the Form 479. For an annual report, this means that the first column will contain the balance as of the end of the last year while the second will contain the balance of the end of the year just concluded. Even if the data for the year just ended is unaudited, be sure to use audited data for the prior year.

<u>Line</u>		FCC Account Numbers	
<u>Number</u>	<u>Part A Items</u>	<u>Class A</u>	<u>Class B</u>
		<u>Companies</u>	<u>Companies</u>

ASSETS:

Line 1. CASH AND EQUIVALENTS:

Insert the sum of the accounts covering cash in banks, petty cash, working funds, temporary investments available for general use, and amounts of cash on special deposit, other than in sinking and other special funds provided for elsewhere, to pay dividends, interest, and other debts when such payments are due 1 years or less from the date of deposit.	1130.1	1120
	1130.2	1120.11
	1130.3	1120.12
	1140	1120.13
	1150	1120.21
	1160	1120.31
		1120.32

Line 2. CASH - RUS CONSTRUCTION FUND-TRUSTEE ACCOUNT:

Insert the balance of this account representing cash received from RUS, RTB, and FFB, and cash equity funds supplied by the borrower under the terms of the loan contract.	1130.2	1120.12
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FCC Account Numbers	
Class A	Class B
<u>Companies</u>	<u>Companies</u>

Lines 3 and 4. AFFILIATES and NON-AFFILIATES

The same three items of data are requested in lines 3 and 4 for affiliated and non-affiliated companies, respectively. Specific instructions for the three items are shown below.

Lines 3. and 4., Item a. TELECOM. ACCOUNTS RECEIVABLE:

Insert the sum of accounts receivable for services rendered or products sold to customers, agents, and authorized collectors, as well as unbilled toll and unbilled carrier revenues, less allowances for these accounts.	1180	1180
	less 1181	less 1181

Lines 3. and 4., Item b. OTHER ACCOUNTS RECEIVABLE:

Insert the sum of the amounts currently due, and not provided for in other accounts, less allowance for uncollectible amounts.	1190	1190
	less 1191	less 1191

Lines 3. and 4., Item c. NOTES RECEIVABLE:

Insert the sum of the amounts of money receivable on demand or within one year from the date of issue, less allowance for uncollectible amounts.	1200	1200
	less 1201	less 1201

Line 5. INTEREST AND DIVIDENDS RECEIVABLE:

Insert the sum of the amounts of interest accrued to the date of the balance sheet on bonds, notes, and other commercial paper owned, on loans made and the amount of dividends receivable on stocks owned.	1210	1210
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Line 6. MATERIAL-REGULATED:

Insert the amount of Materials and Supplies used in regulated activities.	1220.1	1220.1
	1220.3	1220.3

Line 7. MATERIAL-NONREGULATED:

Insert the amount of Property Held for sale or lease.	1220.2	1220.2
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Line 8. PREPAYMENTS:

Insert the sum of the balances in accounts covering prepaid rents, prepaid taxes, prepaid insurance, prepaid directory expense, and other prepayments.	1290	1280
	1300	1280.1
	1310	1280.2
	1320	1280.3
	1330	1280.4
		1280.5

	FCC Account Numbers	
	Class A	Class B
	<u>Companies</u>	<u>Companies</u>

Line 9. OTHER CURRENT ASSETS:

This item shall include the sum of	1350.1	1350.1
all account balances of current	1350.2	1350.2
asset accounts not previously	1350.3	1350.3
covered by lines 1 thru 8.	1350.4	1350.4

Line 10. TOTAL CURRENT ASSETS:

Insert the sum of lines 1 thru 9.

Line 11a. INVESTMENT IN AFFILIATED COMPANIES - RURAL DEVELOPMENT:

Insert the sum of investments in equity or other securities issued or assumed by affiliates for Rural Development purposes only. Also include any advances to affiliates (for rural development) not subject to current settlement.	1401	1401
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Line 11b. INVESTMENT IN AFFILIATED COMPANIES - NON RURAL DEVELOPMENT

Insert the sum of investments in equity or other securities issued or assumed by affiliates. Also include any advances to affiliates not subject to current settlement. DO NOT include Rural Development investments in affiliated companies.	1401	1401
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Line 12a. OTHER INVESTMENTS - RURAL DEVELOPMENT:

Insert the sum of the balances of Rural Development investments in accounts for Other Investments, Sinking and Other Fund Accounts.

Line 12b. OTHER INVESTMENTS - NON RURAL DEVELOPMENT:

Insert the sum of the balances in	1402.1	1402.1
accounts for Other Investments,	1402.11	1402.11
Sinking and Other Fund Accounts.	1402.2	1402.2
Include any advances to non-	1402.3	1402.3
affiliated companies not subject to	1407	1407
current settlement. DO NOT include	1408	1408
Other Investments for Rural		
Development. Rural Development		
investments are to be included on		
line 12a above.		

	FCC Account Numbers	
	<u>Class A</u>	<u>Class B</u>
	<u>Companies</u>	<u>Companies</u>
Line 13. NON-REGULATED INVESTMENTS:		
Insert the sum of accounts covering	1406.1	1406.1
non-regulated investments. DO NOT	1406.2	1406.2
include non-regulated investments in	1406.3	1406.3
Rural Development. Rural Development		
Investments are to be included on		
lines 11 or 12 above.		
Line 14. OTHER NONCURRENT ASSETS:		
Insert the sum of other noncurrent	1410	1410
assets accounts.		
Line 15. DEFERRED CHARGES:		
Insert the sum of deferred charges.	1438	1438
	1439	1439
Line 16. JURISDICTIONAL DIFFERENCES:		
Insert the sum of accounts related	1500	1500
to jurisdictional differences.		
Line 17. TOTAL NONCURRENT ASSETS:		
Insert the sum of lines 11 thru 16.		
Line 18. TELECOMMUNICATIONS PLANT IN SERVICE:		
Insert the sum of the balances shown on	2001.1	2001.1
the books representing the cost of	2001.2	2001.2
telecommunications plant, such as land,		
buildings, central office equipment,		
outside plant, station equipment, furniture		
and office equipment, and vehicles and other		
work equipment used to provide service.		
Line 19. PROPERTY HELD FOR FUTURE USE:		
Insert the amount of the accounts containing	2002	2002
the original cost of the property acquired		
to be used in telecommunications service		
within two years.		
Line 20. PLANT UNDER CONSTRUCTION:		
Insert the sum of the balances in	2003.1	2003.1
accounts for construction projects	2003.2	2003.2
in progress.	2003.3	2003.3
	2004.1	2004.1
	2004.2	2004.2
	2004.3	2004.3
Line 21. PLANT ADJUSTMENTS, NONOPERATING PLANT, AND GOODWILL:		
Insert the sum of the accounts	2005	2005
covering plant adjustments,	2006	2006
nonoperating plant, and goodwill.	2007	2007

FCC Account Numbers			
<u>Class A</u>		<u>Class B</u>	
<u>Companies</u>		<u>Companies</u>	

Line 22. LESS ACCUMULATED DEPRECIATION:

Insert the sum of the balances in	3100	3410	3100	3400
accounts for accumulated	3100X	3420	3100X	3500
depreciation and amortization.	3200	3500	3200	3600
	3300	3600	3300	

Line 23. NET PLANT:

Insert the sum of Lines 18 thru 21 less line 22.

Line 24. TOTAL ASSETS:

Insert the sum of Lines 10, 17, and 23.

LIABILITIES AND STOCKHOLDERS' EQUITY:

Line 25. ACCOUNTS PAYABLE:

Insert the sum of the balances in	4010.11	4010.11		
accounts headed the same as or	4010.21	4010.21		
similar to Accounts Payable to	4010.22	4010.22		
Affiliated Companies and Other	4010.23	4010.23		
Accounts Payable, including	4010.24	4010.24		
liabilities for excise tax and	4010.25	4010.25		
traffic settlements.				

Line 26. NOTES PAYABLE:

Insert the sum of the balances in	4020.1	4020.1		
accounts headed the same as or	4020.2	4020.2		
similar to Notes Payable to Affiliated				
and Nonaffiliated Companies which				
represent obligations payable within				
1 year from date issued or assumed.				

Line 27. ADVANCE BILLINGS AND PAYMENTS:

Insert the amounts of advance billing	4030	4030		
creditable to revenue accounts in				
future months as well as advance				
payments made by prospective customers.				

Line 28. CUSTOMER DEPOSITS:

Insert the amounts of cash deposited	4040	4040		
with the company by customers as				
security for payment for service.				

Line 29. CURRENT MATURITIES LONG-TERM DEBT:

Insert the sum of current maturities	4050	4050		
due RUS, RTB, FFB, and Others.				

Line 30. CURRENT MATURITIES LONG TERM DEBT - RURAL DEVELOPMENT LOAN:

Insert the sum of current maturities due RUS on Rural Development loans recorded on line 40 below.

	FCC Account Numbers	
	<u>Class A</u>	<u>Class B</u>
	<u>Companies</u>	<u>Companies</u>
Line 31. CURRENT MATURITIES-CAPITAL LEASES:		
Insert the current portion of obligations applicable to property obtained under capital leases.	4060	4060
Line 32. INCOME TAXES ACCRUED:		
Insert the sum of the balances in accounts for Federal and State income taxes accrued.	4070.1	4070.1
	4070.2	4070.2
Line 33. OTHER TAXES ACCRUED:		
Insert the sum of the balances in accounts for property, gross receipts, franchise, capital stock, social security, and unemployment taxes accrued.	4080.1	4080.1
	4080.2	4080.2
	4080.3	4080.3
	4080.4	4080.4
	4080.5	4080.5
Line 34. OTHER CURRENT LIABILITIES:		
Insert the sum of the balances in all other current liabilities accounts such as other current liabilities not provided for elsewhere, including dividends payable.	4100	4100
	4110	4110
	4120	4120
	4120.1	4120.1
	4120.2	4120.2
	4120.3	4120.3
	4130	4130
	4130.1	4130.1
	4130.2	4130.2
Line 35. TOTAL CURRENT LIABILITIES:		
Insert the sum of lines 25 thru 34.		
Line 36. FUNDED DEBT - RUS NOTES:		
Insert the sum of the net balances in accounts covering interest and principal owed RUS. (Also include loans made or guaranteed by RUS for CATV projects.)	4210.12	4210.12
	4210.17	4210.17
	4210.18	4210.18
	4210.20	4210.20
Line 37. FUNDED DEBT - RTB NOTES:		
Insert the sum of the net balances in accounts covering interest and principal owed RTB.	4210.13	4210.13
	4210.21	4210.21
Line 38. FUNDED DEBT - FFB NOTES:		
Insert the sum of the net balances in accounts covering interest and principal owed FFB.	4210.14	4210.14
	4210.22	4210.22

	FCC Account Numbers	
	<u>Class A</u>	<u>Class B</u>
	<u>Companies</u>	<u>Companies</u>
Line 39. FUNDED DEBT - OTHER:		
Insert the sum of balances in all	4210.11	4210.11
accounts covering long-term debt to	4210.15	4210.15
other than RUS, RTB, FFB, such as	4210.16	4210.16
for other public improvements, notes	4210.19	4210.19
and certificates of indebtedness	4210.23	4210.23
including amounts owed to affiliated	4210.24	4210.24
companies, CoBank, ACB, or Rural		
Telephone Finance Cooperative, and		
other obligations maturing more than		
1 year from the date of issuance or		
assumption.		
Line 40. FUNDED DEBT - RURAL DEVELOPMENT LOAN		
Insert the amount of the balances in	4210.25	4210.25
accounts covering long-term USDA	4210.26	4210.26
financed Rural Economic Development loans.		
Line 41. PREMIUM (DISCOUNT) ON LONG-TERM DEBT:		
Insert the net amount of accounts for	4220	4220
premium and discount on long-term debt.	4230	4230
Line 42. REACQUIRED DEBT:		
Insert the amount of debt reacquired	4240	4240
prior to maturity that has not been		
retired.		
Line 43. OBLIGATIONS UNDER CAPITAL LEASE:		
Insert the noncurrent portion of	4250	4250
obligations applicable to property		
obtained under capital lease.		
Line 44. ADVANCES FROM AFFILIATED COMPANIES:		
Insert the amount of advances from	4260	4260
affiliated companies not subject to		
current settlement.		
Line 45. OTHER LONG-TERM DEBT:		
Insert the amount of long-term debt	4270.1	4270.1
not provided for elsewhere.	4270.2	4270.2
	4270.3	4270.3
Line 46. TOTAL LONG-TERM DEBT:		
Insert the total of lines 36 thru 45.		
Line 47. OTHER LONG-TERM LIABILITIES:		
Insert the amounts accrued to provide	4310	4310
such items as unfunded pensions, death	4320	4320
benefits, deferred compensation costs,	4330	4330
and other long-term liabilities not	4340	4340
provided for elsewhere	4350	4350

	FCC Account Numbers	
	<u>Class A</u>	<u>Class B</u>
	<u>Companies</u>	<u>Companies</u>
Line 48. OTHER DEFERRED CREDITS:		
Insert the amount of all deferred credits not provided for elsewhere.	4360	4360
Line 49. OTHER JURISDICTIONAL DIFFERENCES:		
Reflects the cumulative impact on liabilities and deferred credits of jurisdictional ratemaking practices which vary from those of the FCC.	4370	4370
Line 50. TOTAL OTHER LIABILITIES AND DEFERRED CHARGES:		
Insert the sum of lines 47, 48, and 49.		
Line 51. CAPITAL STOCK OUTSTANDING AND SUBSCRIBED:		
Insert the amount received for capital stock issued and outstanding.	4510	4510
	4540.11	4540.11
	4540.31	4540.31
Line 52. ADDITIONAL PAID-IN-CAPITAL:		
	4520	4520
Line 53. TREASURY STOCK:		
Insert the cost of capital stock which has been issued and reacquired, but not retired or resold.	4530	4530
Line 54. MEMBERSHIPS AND CAPITAL CERTIFICATES:		
	4540.12	4540.12
	4540.13	4540.13
	4540.21	4540.21
	4540.22	4540.22
	4540.23	4540.23
	4540.32	4540.32
	4540.33	4540.33
Line 55. OTHER CAPITAL:		
	4540.41	4540.41
Line 56. PATRONAGE CAPITAL CREDITS:		
	4550.4	4550.4
	4550.5	4550.5
	4550.6	4550.6
Line 57. RETAINED EARNINGS OR MARGINS:		
Insert the undistributed balance of retained earnings or margins derived from operations of the company and from all other transactions not includable in other equity accounts.	4550.1	4550.1
	4550.2	4550.2
	4550.3	4550.3

FCC Account Numbers	
Class A	Class B
<u>Companies</u>	<u>Companies</u>

Line 58. TOTAL EQUITY:
Insert the sum of lines 51 thru 57.

Line 59. TOTAL LIABILITIES AND EQUITY:
Insert the sum of lines 35, 46, 50, and 58.

PART B: STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS:

In Part B, Statements of Income and Retained Earnings or Margins, complete columns (a), (b), and (c); column (a) may be omitted if reporting on an annual basis only.

For borrowers submitting this report on a quarterly basis, include in column (a) the operating statistics for the previous three months. For borrowers submitting a semi-annual report, include in column (a) the operating statistics for the previous six months.

For the March 31 report, under quarterly reporting, and the June 30 report, under semi-annual reporting, the amounts in column (b) should be identical to those reported in column (a).

For the June 30, September 30, and December 31 reports, under quarterly reporting, and the December 31 report under semi-annual reporting, the amounts shown in column (b) should equal the sum of the amounts reported on the respective lines in column (a) of the current report and column (b) of the previous report.

	FCC Account Numbers	
	Class A	Class B
	<u>Companies</u>	<u>Companies</u>

Line 1. LOCAL NETWORK SERVICE REVENUES:

Insert the sum of the amounts in	5001	5000
accounts covering the following:	5002	
Basic Area Revenue, Optional	5003	
Extended Area Service, Cellular	5004	
Mobile Telephone, Other Mobile	5010	
Services Revenue, Public Telephone	5040	
Revenue, Local Private Line,	5050	
Customer Premises Revenue, Other	5060	
Local Revenue, and Other Local	5069	
Exchange Revenue Settlements.		

Line 2. NETWORK ACCESS REVENUES:

Insert the sum of the amounts in	5080	5080
accounts covering the following:	5081	5081
Network Access Revenue (End User	5082	5082
Revenue, Switched Access Revenue,	5083	5083
Special Access Revenue, and State	5084	5084
Access Revenue), State End User		
Revenue, State Switched Access		
Revenue, and State Special Access		

Revenue.

	FCC Account Numbers		
	<u>Class A</u>		<u>Class B</u>
	<u>Companies</u>		<u>Companies</u>
Line 3. LONG DISTANCE NETWORK SERVICES REVENUES:			
Insert the total of the amounts in	5110	5124	5100
accounts related to long distance	5111	5125	
network service.	5112	5126	
	5120	5128	
	5121	5129	
	5122	5160	
	5123	5169	
 Line 4. CARRIER BILLING AND COLLECTION REVENUES:			
Insert the amounts for Carrier	5270		
Billing and Collection Revenue. For			
Class B companies, insert only that			
portion of account 5200 that is for			
Carrier Billing and Collection.			
 Line 5. MISCELLANEOUS REVENUES:			
Insert the sum of the amounts in	5230	5263	5200
accounts related to miscellaneous	5240	5264	
revenue, excluding Carrier Billing	5250	5269	
and Collection Revenue. For Class B	5261		
Companies, include amounts in	5262		
account 5200 except for those amounts			
associated with Carrier Billing and			
Collection Revenue.			
 Line 6. UNCOLLECTIBLE REVENUES:			
Insert the amount in the account	5301		5300
under this or similar heading.	5302		
 Line 7. NET OPERATING REVENUES:			
Insert the sum of Lines 1 thru 5,			
less Line 6.			
 Line 8. PLANT SPECIFIC OPERATIONS EXPENSE:			
Insert the sum of the amounts in	6112	6232	6110
accounts 6110 thru 6410 or 6112 thru	6113	6311	6120
6441, as appropriate.	6114	6341	6210
	6115	6351	6220
	6116	6362	6230
	6121	6411	6310
	6122	6421	6410
	6123	6422	
	6124	6423	
	6211	6424	
	6212	6425	
	6215	6426	
	6220	6431	
	6231	6441	

	FCC Account Numbers		
	Class A		Class B
	<u>Companies</u>		<u>Companies</u>
Line 9. PLANT NONSPECIFIC OPERATIONS EXPENSE (EXCL. DEPR. & AMORT.):			
Insert the sum of the amounts in the	6511	6533	6510
listed accounts, less depreciation	6512	6534	6530
and amortization.	6531	6535	6540
	6532	6540	
 Line 10. DEPRECIATION EXPENSE:			
Insert the amounts for depreciation	6561		6560
expenses. Class B companies should	6562		
also report amortization expenses on			
this line.			
 Line 11. AMORTIZATION EXPENSE:			
For Class A companies, insert the	6563		
amount in accounts for amortization	6564		
expenses.	6565		
 Line 12. CUSTOMER OPERATIONS EXPENSE:			
Insert the sum of the amounts in	6611	6621	6610
expense accounts covering the listed	6612	6622	6620
accounts.	6613	6623	
 Line 13. CORPORATE OPERATIONS EXPENSE:			
Insert the sum of the amounts in	6711	6725	6710
accounts covering the following:	6712	6726	6720
General Office Salaries and	6721	6727	6790
Expenses, Accounting, Treasury,	6722	6728	
Legal Services, and Other General	6723	6790	
Office Expense.	6724		
 Line 14. TOTAL OPERATING EXPENSES:			
Insert the sum of lines 8 thru 13.			
 Line 15. OPERATING INCOME OR MARGINS:			
Insert the result of line 7 less 14.			
 Line 16. OTHER OPERATING INCOME AND EXPENSE:			
If a deficit, show in parentheses.	7110	7150	7100
	7130	7160	
	7140		
 Line 17. STATE AND LOCAL TAXES:			
Insert the amount of state and local	7230		7200.3
income taxes for the current period.			
 Line 18. FEDERAL INCOME TAXES:			
Insert the amount of Federal Income	7220		7200.2
Taxes for the current period.			

	FCC Account Numbers			
	<u>Class A</u>		<u>Class B</u>	
	<u>Companies</u>		<u>Companies</u>	
Line 19. OTHER TAXES:				
Insert the amount for all other	7210		7200.1	
taxes applicable to related	7240		7200.41	
operations.	7250		7200.42	
			7200.5	
Line 20. TOTAL OPERATING TAXES:				
Insert the sum of lines 17 thru 19.				
Line 21. NET OPERATING INCOME OR MARGINS:				
Insert the sum of lines 15 and 16, less				
line 20.				
Line 22. INTEREST ON FUNDED DEBT:				
Insert the current accruals of	7510		7500	
interest on all classes of debt the				
principal of which is includable in				
Account 4210.				
Line 23. INTEREST EXPENSE-CAPITAL LEASE:				
Insert the interest portion of each	7520		include on	
capital lease payment.			line 22	
Line 24. OTHER INTEREST EXPENSES:				
Insert the sum of the listed	7530		include on	
accounts.	7540		line 22	
Line 25. ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION:				
Insert the amounts for the allowance	7340		7300.4	
for funds used during construction.				
Line 26. TOTAL FIXED CHARGES:				
Insert the sum of lines 22, 23, 24 less				
line 25.				
Line 27. NONOPERATING NET INCOME:				
If a deficit, show in parentheses.	7310	7350	7300.1	7300.5
	7320	7360	7300.2	7300.6
	7330	7370	7300.3	7300.7
Line 27 should be shown net of	7410		7400	
nonoperating taxes, the sum of the	7420			
amounts in the accounts covering	7430			
taxes arising from activities which	7440			
are not part of the central	7450			
operations of the company.				
Line 28. EXTRAORDINARY ITEMS:				
Insert the sum of the amounts in	7610		7600	
accounts covering extraordinary and	7620			
delayed items. If a deficit, show	7630			
in parentheses.	7640			

FCC Account Numbers			
<u>Class A</u>		<u>Class B</u>	
<u>Companies</u>		<u>Companies</u>	

Line 29. JURISDICTIONAL DIFFERENCES:

If a deficit, show in parentheses. 7910 7910

Line 30. NONREGULATED NET INCOME:

If a deficit, show in parentheses. 7990 7990
Account 7990 should be shown net of 5280 5280
nonregulated expenses.

Line 31. TOTAL NET INCOME OR MARGINS:

Insert the sum of lines 21, 27, 28, 29 and 30, less line 26.

Line 32. TOTAL TAXES BASED ON INCOME:

Insert the sum of the amounts in
accounts covering taxes based on
income.

7210	7420	7200.1	7400.2
7220	7430	7200.2	7400.3
7230	7450	7200.3	7400.5
7250	7630	7200.5	7600.3
7410	7640	7400.1	7600.4

Line 33. RETAINED EARNINGS OR MARGINS - BEGINNING OF YEAR:

Insert the balances, as of January 1, in the accounts covering unappropriated retained earnings or margins. If a deficit, show in parentheses.

Line 34. MISCELLANEOUS CREDITS - YEAR-TO-DATE:

Insert the sum of the amounts covering credit to retained earnings or margins not provided elsewhere.

Line 35. DIVIDENDS DECLARED - COMMON:

Insert the total amount of dividends declared on common stock from January 1 to the end of the period being reported.

Line 36. DIVIDENDS DECLARED - PREFERRED:

Insert the total amount of dividends declared on preferred stock from January 1 to the end of the period being reported.

Line 37. OTHER DEBITS YEAR-TO-DATE:

Insert the total amount of other debits charged to retained earnings or margins since January 1.

Line 38. TRANSFERS TO PATRONAGE CAPITAL:

Insert the total amount of margins transferred during the current year to Patronage Capital Assignable or Assigned.

Line 39. RETAINED EARNINGS OR MARGINS END OF PERIOD:

Insert the total of Lines 31, 33, and 34 less Lines 35, 36, 37, and 38.

Line 40. PATRONAGE CAPITAL BEGINNING OF YEAR:

Insert the balances, as of January 1, in the accounts covering patronage capital.

Line 41. TRANSFERS TO PATRONAGE CAPITAL

Insert the total amount of margins transferred during the current year to Patronage Assignable or Assigned.

Line 42. PATRONAGE CAPITAL CREDITS RETIRED:

Insert the total amount of capital credits retired from January 1 to the end of the period being reported. Include both general retirements and those made in individual cases, such as estate settlements. (Entries on this line should only be made by cooperatives.)

Line 43. PATRONAGE CAPITAL END OF THE YEAR:

Insert the total of Lines 40 and 41, less Line 42.

Line 44. ANNUAL DEBT SERVICE PAYMENTS:

Insert the sum of total annual debt service payments (principal and interest billed) made on long term debt from January 1 to the end of the reporting period.

Line 45. CASH RATIO:

Insert the sum of Lines 14 and 20 less Lines 10 and 11, divided by Line 7.

Line 46. OPERATING ACCRUAL RATIO:

Insert the sum of Lines 14, 20, and 26 divided by Line 7.

Line 47. TIER:

Insert the sum of Lines 31 and 26, divided by Line 26.

Line 48. DSCR:

Insert the sum of Lines 31, 26, 10, and 11, divided by Line 44.

PART C. SUBSCRIBER (ACCESS LINE) AND ROUTE MILE DATA:

Part C is divided into three sections:

1. Rates, 2. Subscribers (Access Lines), and 3. Route Miles with subheadings over columns for local rates, subscriber data, and route mileage information. Each column has been lettered, i.e., (a), (b), (c), etc..., for reference purposes. When using the electronic form exchange data may be entered continuously up to the maximum number of lines provided. Continuation sheets will be generated as needed when printing. Regardless of the number of exchanges the totals for all exchanges will be shown on the Total line on page 3. The information to be included in Part C should be that shown in the records of the borrower at the end of the period.

EXCHANGE:

Insert the name of each exchange. Use abbreviations where necessary. Do not use exchange dial prefix.

Column 1(a). B-1, Rates:

Insert, by exchange, the average local service rate for one-party business subscribers.

Column 1(b). R-1, Rates:

Insert, by exchange, the average local service rate for one-party residential subscribers.

Subscriber (Access Line) Data:

Subscriber is defined by RUS to mean the same as Access Line. Access Line means a transmission path between user terminal equipment and a switching center that is used for local exchange service. This definition should be used for reporting the following subscriber data.

Column 2(a). BUSINESS:

Insert, by exchange, the number of business subscribers. PBX trunks and Key lines should also be included here.

Column 2(b). RESIDENTIAL:

Insert, by exchange, the number of residence subscribers.

Column 2(c). TOTAL

Insert, by exchange, the total number of subscribers (sum of columns 2(a) and 2(b)). If applicable, insert the total number of mobile wireless subscribers served on the line which has the words Mobile Wireless entered in place of an exchange name. Include mobile subscribers served by cellular, PCS, or any other means in this figure; do not include any fixed wireless subscribers.

Column 3(a). ROUTE MILES, TOTAL (INCLUDING FIBER)

Insert the total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:

1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.
2. One mile of a cross country route with any combination of outside plant facilities.
3. One mile of point-to-point microwave or radio link.
4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.
5. One mile of joint use line where the borrower either owns the facility or leases space.

Column 3(b). ROUTE MILES, FIBER

Insert the total number of route miles (to the nearest mile) in the exchange served by fiber facilities. This figure is included in the total route mile figure in column 3(a).

PLEASE NOTE: A line has also been provided for recording total route miles of line OUTSIDE exchange areas. These miles will be included in the TOTAL for the system.

PART D. SYSTEM DATA:

All items of Part D are to be reported on a system basis and are to include only those persons employed by or facilities owned by the system as of the reporting date.

Item
Number Part D Items

Item 1. NO. PLANT EMPLOYEES:

Insert the number of plant employees on the payroll at the end of the period. Include here all plant department employees and supervisors.

Item 2. NO. OTHER EMPLOYEES:

Insert the number of other (non-plant) employees on the payroll at the end of the period. Include here all general office, accounting, commercial, and traffic department employees.

Item 3. SQUARE MILES SERVED:

Insert the total number of square miles served by the system. Include the system's entire certificated or authorized service area whether or not subscribers are served in all parts of the area.

Item 4. ACCESS LINES PER SQUARE MILE:

Insert the number of access lines per square mile served (Part C, Line 2(c)TOTAL divided by Part D, Item 3).

Item 5. SUBSCRIBERS PER ROUTE MILE:

Insert the number of subscribers per route mile (Part C, Line 2(c)TOTAL divided by Part C, Line 3(a)TOTAL).

PART E. TOLL DATA:

Line 1 Check the appropriate type of interstate and intrastate toll settlements, either average or cost basis, which are presently in effect for the company.

PART F. FUNDS INVESTED IN PLANT DURING YEAR:

Line
Number Part F Items

Line 1. RUS, RTB, AND FFB LOAN FUNDS EXPENDED:

Insert the total amount of RUS, RTB, and FFB loan funds expended during the year.

Line 2. OTHER LONG-TERM LOAN FUNDS EXPENDED:

Insert the total amount of all other long-term loan funds expended during the year.

Line 3. FUNDS EXPENDED UNDER RUS INTERIM APPROVAL:

Insert the amount of funds (short-term borrowings and general funds) that were expended during the year in accordance with RUS approval for interim financing. Any amount reimbursed with RUS, RTB, or FFB loan funds later in the same year should be shown on Line 1 instead of this line.

Line 4. OTHER SHORT-TERM LOAN FUNDS EXPENDED:

Insert the amount of short-term loan funds expended during the year, excluding any such amount that was expended in accordance with RUS approved interim financing.

Line 5. GENERAL FUNDS EXPENDED (OTHER THAN INTERIM):

Insert the amount of general funds expended during the year, excluding any such amount that was expended in accordance with RUS approved interim financing.

Line 6. SALVAGED MATERIALS:

Insert the book value of salvaged materials used as plant but returned to stock during the year.

Line 7. CONTRIBUTION IN AID TO CONSTRUCTION:

Insert the amounts recorded for contributions to telecommunications plant received during the year.

Line 8. GROSS ADDITIONS TO TELECOMMUNICATIONS PLANT:

Insert the sum of Lines 1 through 7.

PART G. INVESTMENTS IN AFFILIATED COMPANIES:

The data requested in columns (b) through (f) should be reported on a summary basis. Line 1 asks for investment data for Rural Development investments while Line 2 asks for similar data for Nonrural Development investments.

Column (b) Investment This Year - Under column (b), list the amount invested in each class of investment shown in column (a) during the current year.

Column (c) Income or Loss This Year - This column should include all income earned or losses incurred for each class of investment during the current year.

Column (d) Cumulative Investment to Date - For the class of investments listed in column (a), the cumulative investment to date should include the total amount of funds actually invested from the date of the original investment to the end of the current reporting period.

Column (e) Cumulative Income or Loss to Date - This column should contain the cumulative total of income earned or losses incurred for each class of investment from the date of the original investment to the end of the current reporting period.

Column (f) Current Balance - List the equity value of each class of investment at the end of the reporting period in this column. The equity value should be equal to the sum of the values in columns (d) and (e).

PART H. CURRENT DEPRECIATION RATES:

Indicate whether or not the corporation's depreciation rates are subject to regulatory body approval.

Depreciation Rates: If corporation's depreciation rates are subject to regulatory body approval, insert the approved rate (expressed as a percentage shown to two decimal places; e.g. 7.50) used for each equipment category which applies to system (please indicate NA if your system does not have plant in a specific category). If your system has more than one depreciation rate for a specific category, provide an average rate weighted in proportion to plant value. In addition, if your system includes service areas in more than one State, provide a weighted average of the depreciation rates used for a given category of plant regardless of the State. Only one rate should be reported for each plant category regardless of the number of States in which you provide service.

If corporation's depreciation rates are not subject to regulatory body approval, insert the actual annual depreciation rate (expressed as a percentage shown to two decimal places; e.g. 7.50) used for each equipment category which applies to your system (please indicate NA if your system does not have plant in a specific category). If your system has more than one depreciation rate for a specific category, provide an average rate weighted in proportion to plant value. In addition, if your system includes service areas in more than one state, provide a weighted average of the depreciation rates used for a given category of plant regardless of the state. Only one rate should be reported for each plant category regardless of the number of states in which you provide service.